



SAN JUAN COUNTY COMMISSION

Bruce B. Adams - Chairman
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May 2, 2011

Scott Florence
District Manager
BLM Arizona Strip District
345 East Riverside Drive
St. George, Utah 84790

RE: San Juan County Comments on the Northern Arizona Proposed Withdrawal Draft EIS (DEIS)

Dear Mr. Florence:

San Juan County has appreciated being a participant as a cooperating agency during the process of the development of the Draft EIS on the Northern Arizona Proposed Withdrawal. You and your staff have provided excellent access and understanding of the process and we appreciated the opportunity to tour the area with the proposed withdrawal.

The County has limited experience in participating as a cooperating agency other than this particular DEIS. There was confusion that the County was not allowed to seek outside information, advice and research during the preparation phase. The process and document is very large and very complex and this County was limited by staff time to provide a great deal of written comments during the process. The County is also concerned that the average citizen will be intimidated by the size of the document and will simply give up and not attempt to participate in the public process. This leaves a feeling from the public to the County Commissioners that it is up to the elected officials to protect them in their interests and concerns. The residents who do not comment are more likely impacted than others from providing individual comments while other organizations provide avenues for their members to provide comments that are similar in type and matter to be made in mass. We also felt that as cooperating agencies the cooperating agencies would have been at the table to develop the alternatives with the federal agencies and partners. This was not done and there are concerns that the final process was already set up regardless of the information provided to the BLM and its contractor.

Additionally, the County did not request the BLM to host a scoping meeting in Blanding or in San Juan County but based on the attendance at the meeting held in Salt Lake City, hindsight would tend to indicate that there would have been better participation with a meeting in San Juan County.

The DEIS has not completely identified, evaluated and considered the impact of the historical mining activities that have and will continue to occur in this County. Uranium mining has been an active part of the County's tax base since the 1950's. During some periods of time, there were at least three active uranium mills operating in the County. The mining portion of the uranium industry has been operating on and off during the last 60 plus years. Generation after generation has engaged in the mining process and this industry has provided for some the highest paying jobs in the area. One particular company, Young's Machine Company located in Monticello still produces underground mining equipment such as

the Young Buggy which has been sold worldwide. The industry has provide the County, the School District, and other taxing entities with large amounts of property and other taxes. Many roads were improved during this period of time to provide access to the mines and to the mills. These roads have remained and are used by a variety of users including hunters, grazers, recreation users, and others. Many important public facilities were constructed during these times including a hospital, nursing home, medical clinics, and libraries to name a few.

This County, above all others, has been able to see and assess firsthand the impacts of uranium mining and milling. Today, with the operation of the White Mesa Mill located south of the community of Blanding and the numerous mines that are operating all over the County, we still see and assess these impacts. Trucks haul uranium to this mill not only from this County but from Arizona, Colorado and New Mexico.

The County's Master Plan specifically demonstrates the need and support for hard rock mining and its importance in the local economy. We would specifically request that the language in the County's Master Plan be analyzed and reflected in the final EIS. The State of Utah understands the importance of the nuclear industry in its new Energy Plan, specifically detailing information on how the uranium industry has and will play an important role in providing cost effective energy for generations to come. San Juan County has the only licensed and operating uranium mill. The U.S. Uranium industry is only currently providing about 8% of the current national need. The demand will grow and it makes sense to use the high grade uranium that is currently being mined on the Arizona Strip to continue and to make the Nation self supporting in its portion of energy needs. There is no reason to rely of foreign sources when this energy source can be totally developed internally. President Obama has indicated in past speeches the need for a portion of the overall energy needs of the Nation to be provided in this area.

The County is the largest county in the State of Utah with over 8500 square miles. It is also the least populated per acre in the State. The County has only 8% total private ownership so each and every action by State and Federal governments has a significant impact on the County and its residents. San Juan County's small population estimated at 14,500 people is comprised of about 7,000 residents who live and reside on the two Native American reservations in the County. These residents are exempt from paying property and sales taxes thus placing an unfair burden on the remaining residents. The County has the highest property tax rate of any other County in the State of Utah. It is difficult at best to be able to provide essential services to all of the residents.

The impacts of mining on the local economy was not generally studied for this County. The DEIS used employers from the Wasatch Front of the State that has no relationship to the local economy. Unemployment is high in the County. The study by the American Clean Energy Resource Trust (ACERT) titled "Economic Impact of Uranium Mining on Coconino and Mohave County Arizona" was completed to measure the impacts of withdrawing over 1,000,000 acres of public lands in northern Arizona from uranium mining and exploration. The study showed that if the proposal withdrawal is not implemented and the industry were allowed to operate as it did in the 1980's and 1990's, the following is a conservative estimate that would be realized in northern Arizona and southern Utah over a forty-two year period:

- 1,078 new jobs in the project area
- \$2 billion in federal and state corporate income taxes
- \$9.5 million in claims payments and fees to local governments
- Increased property taxes for local governments

- Increased business for regional and national mining support vendors
- Increased state and local sales taxes
- \$168 million in state severance taxes
- \$1.6 billion to trucking firms transporting ore

The DEIS reveals that the proposed withdrawal indicates that there would be little interaction between mine operation and tourists. The local areas need to have diversified types of economies, not just mining, not just tourism but many types of businesses and services. The DEIS has not demonstrated that mining would result in one lost dollar of revenue to tourism business and no harm to the Grand Canyon. The acknowledgement of the DEIS that \$3.4 billion in uranium and hundreds of jobs to be had as well as the needed energy for our country provides for a stark contrast. The County doubts that few if any of the 5,000,000 annual visitors to the Grand Canyon National Park would know little or anything about the proposed withdrawal. However, those working in the uranium business and their families, along with local governments understand the economic importance of this industry. The mining industry has been a great corporate partner providing local groups and organizations funding for needed projects.

San Juan County would once again express its support for the "Alternative A" – No Withdrawal" option that was in the recently released DEIS. The document has not proven that uranium mining is any a threat to the Colorado River water system or the Grand Canyon. This portion of the Arizona Strip should not be locked up as it provides a needed and valuable resource.

One of the main issues during the preparation of the DEIS was the fear of contamination of the Colorado Water System. We do not believe that this was proven to be the case in these studies. In fact, it was stated, in some of the studies, that no contamination was found in the water. This is remarkable in that there are many breccia pipes that have opened up naturally draining into the Colorado River. Also, the fact that no contamination was found in the Colorado River even though a uranium mill operated near Moab, Utah with their tailings pile located adjacent to the Colorado River which was rumored to be contaminating the river. Also during the construction of the Glen Canyon Dam, many open and operating uranium mines were covered up by the water of the now Lake Powell area. It is well known that the National Park Service (NPS) deposited of many waste streams generated on Lake Powell by simply dumping these wastes in to the water. Such examples were unusable boats, batteries, etc.

Uranium contamination of the Colorado River was one of the primary concerns raised by former Arizona State Governor Janet Napolitano and Secretary of Interior Ken Salazar in implementing the temporary federal segregation on the Arizona Strip Area. A recent study completed by the Arizona Geological Survey conducted by Dr. Spencer and Dr. Wenrich using data that was produced by the USGS concluded that forty to eighty tons of dissolved uranium (not uranium ore) are currently being carried by the Colorado River through northern Arizona and the Grand County every year.

This study indicated that the proposed withdrawal area has **one of the highest concentrations of naturally-occurring uranium in the world** with many of the deposits exposed in the walls of the canyons across the area. Uranium has been eroding from these naturally-occurring deposits for millions of years and will continue to do so for millions more. There is no action that can be done through the DEIS to change this fact of nature.

The DEIS considered a hypothetical, worst case scenario transportation accident would be one in which a truck hauling uranium ore containing one-percent uranium is overturned by a flash flood in Kanab Creek and its entire load is washed into the Colorado River where it pulverized and dissolved during a

one year period and thereby becomes part of the dissolved uranium content of the river. This scenario is highly unlikely as a truck most likely would not be attempting a crossing in which the creek was flooding and that accident, if it occurs, does not considered that some if not most of the ore could be contained and removed from the water system. The results of such an accident would release an amount that was determined would be undetectable against the much larger natural variations in river-water uranium content.

During the tour of the current operating mine by the Dennison Company, it was demonstrated that this particular mine has no ground water. If fact the company is required to haul water to the mine for its operational uses as there is no water available at the mine site from wells or other sources. It is difficult to determine how a dry mine many miles from the Colorado River could be considered as a contamination of the river. The USGS Study as well as the University of Arizona study both concluded that mining activities did not contaminate the watershed.

The DEIS Executive Summary under the impact on water resources makes the following statements: "The impact on the Colorado River across all alternatives is none or negligible and of short-term and long-term to long-term duration. The impact on the Virgin River across all alternatives is none or negligible and of long-term duration." The DEIS fails to establish a scientifically sound reason to support the proposed withdrawal.

The Arizona Strip Wilderness Act of 1983 was important legislation in which specific areas were put into the National Wilderness Preservation System. At the same time, other specific areas within the Arizona Strip were to remain open to mineral mining. Nowhere in the DEIS is this mentioned or included in the document. The Act was approved by the Congress of the United State of America, not by a burecratic federal agency. The aspects of uranium and its industry were studied and considered at the time that Congress acted and approved the Wilderness Act of 1983 in which Congress felt strong enough to release these lands to mining activities.

The transportation of the uranium ore to the White Mesa Mill has proven to be a safe mode of transportation. The ore hauled in these trucks does not pose any danger to the public. The trucks are not required to run with specific placards which are required by trucks when they are hauling materials that could pose a danger to the public and first responders. Particularly in San Juan County, ore has been hauled by truck for decades and decades. While there have been accidents, which would be expected, there has been no health risk to the public. Transportation via truck is one of the most heavily regulated industries in this County. While this was stated above, uranium ore is currently being transported to the White Mesa Mill from three or four states and from several mines located in San Juan County. This transportation mode has also yielded benefits that include employment, sales of fuel, tires, maintenance services, motel rental, meals purchased, etc.

The breccia pipe mining is unique and special to this area and is unlike other types of mining such as open pit or shaft mining. Breccia pipe formations are extremely compact and require surface disturbances of 20 acres or less which is much smaller than the thousands of acres required to mine open pit resources. Small mines mean less dust, very little noise, limited surface disturbance during mining operations and limited water uses. Breccia pipe reclamation is relatively straightforward and extremely effective. The locations of several pipes mined in the 1980's and 1990's have been so thoroughly reclaimed that attempting to locate these sites is difficult if not impossible. Future mining operations will have the same impact as mining of fifty years ago is disingenuous. To prove this point, the BLM field tour was to one of the reclaimed mining sites which showed it was impossible to detect

that a mining operation had occurred there. BLM was proud of this work and used it to demonstrate that it is possible to have a mining operation restored with no negative impacts to the site. The BLM also stated that the mining companies had gone beyond the requirements of the federal agencies in their mining operations. Mining operations in other areas, including in San Juan County have other types of impact with open mine shafts; tailings piled on hillsides and numerous access roads. These effects were from mining operations of the 1950's and 1960's and the public believes that all mining operations are similar to these. The federal and state governments have implemented sufficient regulations, rules and management types to prevent this type of mining in the future but the mining on the Arizona Strip is not typical of these other types of mining. As stated in the DEIS, "A mining operator is required to provide the BLM with an approved financial guarantee that is adequate to cover the estimated cost to completed the reclamation plan before beginning activities." This guarantees that funding is available to complete reclamation activities should a mining company go into bankruptcy or other financial failure. The DEIS should not allow "legacy" mines to be utilized as a baseline for withdrawal consideration, even if the environmental propagandists would like to.

It is time for the federal government to stand up and take action to make the United States dependent on the United States for its domestic energy needs; rather than relying on the serious dependency that we have on foreign nations. Alternative A is simply the only alternative that provides a partial solution to the Nation's energy plan. The Arizona Strip uranium contains at least 375 million pounds of the highest grade uranium ore in the United States. This is the equivalent of 13.3 billion barrels of oil which is the total amount of recoverable oil in Prudhoe Bay. The mining plans of the companies with claims on the Arizona Strip had generally indicated that each company would only have one or two operating mines at one time. Their plans to mine on site and then use that same equipment on the next mine provide good environmental and economic sense. They have been solid performers that have been shown as examples by the federal agencies. It is time that they be given future opportunities to be able to continue their operations and investments while providing employment and financial benefits to the residents of the area.

Finally, San Juan County congratulates the BLM staff of the Arizona Strip District working to ensure that rules and regulations regarding uranium mining are followed. The uranium companies equally need to be congratulated on doing their part and even more than required to show that they are good stewards of the local resources. The withdrawal is not in the best interests of our county, the State of Utah and the State of Arizona nor the United States. We believe that the DEIS could better reflect the very real conditions that exist here. Support your local land managers; they have done a good job. It should be factually sound and not merely slumping to favor the Los Angeles Water and Power Department and other downstream water users, or bureaucrats in Washington, DC or power environmental lobbyists who use such issues like this withdrawal as a fundraiser for their organizations. Congress acted in 1983 and their action should be respected and local governments should be heard. Only Alternative "A" provides for science and fact rather than those who favor emotion or motive.

Very truly,

SAN JUAN COUNTY COMMISSION



Bruce B. Adams, Chairman